

STATEMENTS ON INTRODUCED
BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS:

S. 1837. A bill to amend title XIX of the Social Security Act to provide low-income Medicare beneficiaries with medical assistance for out-of-pocket expenditures for outpatient prescription drugs; to the Committee on Finance.

THE HEALTHY SENIORS ACT OF 1999

Mr. BAUCUS. Mr. President, I rise today to introduce the Healthy Seniors Act of 1999. Prescription drugs are a hot topic these days. From the lawn of the White House to the TV screen in your house, everyone is talking about prescription drugs, and for good reason. Americans have the greatest health care system in the world: The best doctors, the best research, and the most effective prescription drugs. That doesn't mean anything if thousands of seniors can't afford to use them. We are creating a system where the well-off can buy the best health care and the poor can afford little more than an aspirin.

Recently, "60 Minutes" did a show on the high cost of prescription drugs and the need to provide coverage to low-income beneficiaries. National Public Radio has run a series of stories on the rising cost of prescription drugs and government plans to make them available to Medicare beneficiaries. Full-page advertisements and news stories are in our Nation's newspapers, from the Washington Post to the Billings Gazette. We have all seen Flo and her bowling ball.

I have a story from the Montana Standard, Butte's local newspaper. The headline reads: "Montanans Testify for Medicare Drug Coverage."

Greg Loushin's heart breaks every time he watches Montana's elderly and uninsured scrounge for change to buy prescription drugs. Oftentimes, the Butte pharmacist pulls money from his own pocket.

Think of that, the local pharmacist pulls money from his own pocket when his own customers do not have adequate funds to pay for their drugs.

From the story:

Pharmacist helping seniors buy drugs they need from his own money.

People help one another out in Butte, MT. Greg's customers are lucky to have him for a pharmacist. But we know in our increasingly interpersonal world, Greg's generosity is a rare exception. It isn't a long-term solution to the problem of escalating costs of prescription drugs; creating a prescription drug benefit under Medicare is.

Why is it suddenly so important seniors be given a drug benefit under Medicare? Why all the attention? Why the stories? The answer is twofold.

First, prescription drug costs have risen dramatically. Overall medical inflation has been slowed in recent years,

but the cost of prescription drugs has actually skyrocketed, rising much faster than the average cost of medical care. In 1980, prescription drugs were only 4 percent of total health costs. In the year 2000, they will account for 16 percent of the total, a fourfold increase in 20 years. The increased costs are attributable both to the prices charged for the new, sophisticated drugs that are being developed by pharmaceutical companies, and to increase use of the drugs by our seniors.

Today as never before there is increased competition among drug companies to put out new drug therapies for the many ailments that face Americans, young and old. I, for one, do not want to stunt the innovation that has made America the leading architect of medical technology.

The second reason the drug benefit is so important is these research efforts are increasingly fruitful. Drugs can now treat illnesses where formally surgery was needed. Drug coverage means healthier individuals, leading to fewer hospitals and less time in the hospital.

New York has a plan called EPIC to help low-income seniors with medications that saved an estimated \$47 million in hospitalization costs in the recent year, compared with the \$41 million it cost to run the program. David Cutler, a Harvard economist, reports elderly disability rates have fallen 15 percent in the last decade largely because of increased use of prescription drugs.

Barbara Holter, a Montana Medicare beneficiary, last week wrote me:

Senator BAUCUS . . . innovative prescription drugs and biological therapies played an important role in the treatment of arthritis. While not a cure, these new medications can help alleviate the pain, slow the progress of disease, and prevent disability. Unfortunately, 35 percent of Medicare beneficiaries do not have coverage. It is important that Congress take action to expand access to drug coverage.

Gone are the days when surgery and mechanical devices alone work to save lives and increase their quality. A heart ailment that may have required an extensive bypass a few years ago can now be treated with a clot-busting medication or a stent. To paraphrase the renowned physician and health care policy expert, Dr. William Schwartz, medicine is changing "from the mechanical to the molecular."

Everyone seems to recognize this shift. Everyone, that is except our government. We are 60 days from the year 2000, and we are still trying to run a health care program rooted in the year 1965.

Some say we ought to reform Medicare before providing a drug benefit. Senator BILL ROTH, chairman of the Finance Committee, has indicated his interest in working in a bipartisan fashion to strengthen Medicare in the coming year. I welcome his willingness to do so. Without action, Medicare will go

broke in just 15 years, at the very time our social insurance system becomes inundated with the baby boom generation, about 15 years from now.

We must act to save Medicare. We ought not let perfection be the enemy of the good. I accept and agree that Medicare must be changed. It is also true the average senior fills 19 prescriptions every year on average. Our seniors don't have the luxury of waiting until the politics are right to get the drugs they need. This is particularly true in rural areas.

As this chart indicates, one-third of Medicare beneficiaries have no prescription drug coverage. One-third of seniors in our country have no prescription drug coverage. In rural areas, it is even worse. In rural America, the number increases to nearly half. Seniors are being denied products that can save their lives because of geography. Half of American seniors don't have prescription drug coverage.

Part of the problem is we don't have a lot of managed care in rural areas. In fact, we have very little. Managed care will often provide drug coverage to seniors. In many parts of America, particularly rural America, there is no managed care, much less prescription drug coverage for seniors.

Recently, my staff spoke to Ardys Olin and her mother Thelma of Billings, MT. Both are beneficiaries of Gold Choice, Montana's only Medicare managed care plan. Ardys is disabled; Thelma is 87. For the time being, they both get prescription drug coverage through Gold Choice, the only managed care program for Medicare in Montana. They are quite pleased with it.

Because payment rates are insufficient to sustain managed care in rural America, Gold Choice is soon going to leave Montana, leaving its 2,600 beneficiaries without prescription drug coverage. Where are these people going to go? What are they going to do when Gold Choice pulls out of Montana?

Most employers in rural America can't afford to offer prescription drug coverage in their retirement plans. The profit margins are so low in rural America. Unfortunately, many people in rural areas have little or no retirement income beyond their Social Security checks. These people are hurting. Many of the 2,600 Montanans losing prescription drug coverage with the termination of Gold Choice—the only managed Medicare care program in our State—don't have enough money of their own to buy Medigap coverage. Medigap is the insurance plan offered by many companies to fill the gap between what Medicare doesn't pay and what Medicare should pay. Maybe people do not have enough money to buy Medigap insurance. That is why many Americans don't have any prescription drug coverage at all. They simply have to hope they do not become ill and, if they do, that they will be able to afford

the cost of the drugs their doctors prescribe.

The legislation I am introducing will begin, not totally—but begin to address this problem. We are not creating any new bureaucracies, no new large Government programs. We are simply extending the reach of the Medicaid program to administer drug coverage to our most needy. That is it. This bill provides prescription drug coverage to the elderly whose incomes are 175 percent of the Federal poverty limit. In real terms, that means seniors making up to about \$13,500 a year will be provided some prescription drug coverage; \$16,800 in the case of couples.

This bill impacts seniors who are less able to pay for their prescription drugs. Consider the following data graciously provided by, and under review at, Health Affairs, the Nation's leading health policy journal.

These numbers are from a study supported by the Commonwealth Fund, a national philanthropic organization engaged in independent research on health and social policy issues, and is the product of the able scholarship of Dr. Jan Blustein, professor at the Wagner School of New York University.

This chart shows the extent to which low-income seniors with hypertension have prescription drug coverage. Hypertension—that is, high blood pressure—is prevalent among the elderly, occurring in better than 50 percent of persons over age 65. As you can see, seniors with hypertension, with incomes between 100 and 125 percent of poverty, only have prescription drug coverage about 65 percent of the time. Again, seniors whose income is between 100 percent and 125 percent of poverty have prescription drug coverage only about 65 percent of the time. Those between 126 percent and 150 percent of poverty, the next line down, fare even worse, receiving drug coverage only about half the time, 55 percent of the time.

Mr. President, 150 percent of poverty is not a lot of money, only about \$11,500 a year. There is clearly a need to help these people, and the bill I am introducing today does just that.

Let me be clear in stating this legislation is not intended as a permanent solution to the prescription drug problem. It does not provide stop-loss coverage for beneficiaries whose drug bills measure in the thousands of dollars. And because it uses Medicaid, the legislation uses a delivery mechanism that can differ from State to State in the scope of benefits it provides. But it does provide a benefit to those who need it the most. It is not perfect, but it is a start. Most important, it is an idea that has broad-based support from the public and in the Congress.

The Medicare Commission, although unable to reach a supermajority on its recommendation to fix the program—that is, Medicare—proposed covering

drugs for low-income seniors through Medicare. In a recent poll, 86 percent of Americans favored adding a new Medicare drug benefit to cover part of the cost of the prescription drugs.

During the recent debate over tax cuts and the Federal budget, I, with 33 of my colleagues, sent the President a letter urging him to set aside one-third of the on-budget surplus for Medicare. I am pleased he announced his intentions just last week to do that, to fund a prescription drug benefit. Although creating a prescription drug benefit will be expensive, I think inaction is even more costly. In the words of the former President, Calvin Coolidge, "We cannot do everything at once but we can do something at once."

Let's do that something now to help our most vulnerable seniors, help them pay for the drugs that can save their lives.

By Mr. WELLSTONE:

S. 1838. A bill to provide that certain income derived from an agreement between the Bois Forte Band of Chippewa Indians and the State of Minnesota shall not be considered income for purposes of Federal assistance eligibility; to the Committee on Indian Affairs.

INCOME EXEMPTION FROM FEDERAL ASSISTANCE ELIGIBILITY REQUIREMENTS

• Mr. WELLSTONE. Mr. President, I am introducing today legislation of great importance to two tribes in Minnesota, the Bois Forte Band of Chippewa and the Grand Portage Band of Chippewa. This bill would exempt income derived from an agreement between the two bands and the State of Minnesota from being considered as income for purposes of Federal assistance eligibility when the funds from the agreement are distributed to tribal members.

Under current law, most payments to Indians derived from trust resources are exempt from consideration as income or resources for the purposes of determining federal benefits under various Federal or federally assisted programs. Regulations promulgated by various Federal agencies reflect the statutory exemptions for income derived from interests of individual Indians in trust or restricted lands and from payments distributed to tribal members as the result of Indian claims awards. This legislation is to accord similar treatment to payments made to the approximately 2,700 members of the Bois Forte Band and the 790 members of the Grand Portage Band.

In 1988 the two bands entered into an agreement with the state of Minnesota whereby the State agreed to make an annual payment to the bands in exchange for the bands' restriction of their members' hunting and fishing rights. These rights are guaranteed by the treaty of September 30, 1854. From that payment, the Tribal Councils of the Bands make small annual pay-

ments to their members. The Bois Forte Band pays each of its members \$500 per year, for example. The shares of minors are paid into a trust fund that cannot be disbursed until the minor reaches the age of 18. The shares of adults are paid directly to them.

These payments are intended to compensate the band members for a Federal treaty right that they have elected to forgo in return for these funds. As a result, this constitutes income which is derived from a trust resource. The intent of the Federal law is that such funds—up to a certain level, are not treated as income for purposes of Federal benefit eligibility. This is in recognition of the special status of Indian tribes within the United States, and the trust relationship that the Federal Government maintains to this day. However, while these payments clearly fall within the intent Federal law to protect trust resources, the current statute does not encompass these payments.

The result is that for a small number of band members, approximately 10 percent of the Bois Forte band and currently no members of the Grand Portage Band, this income is of no real benefit because it reduces or eliminates their public assistance payment. These members are all extremely poor, elderly, or disabled. Mr. President, these are people who can least afford to bear the brunt of this loophole in Federal law.

Additionally, Mr. President, these band members see a spike in their income—an extremely small spike mind you—in 1 month out of the year. Does it serve any public purpose to kick them off of Federal assistance in that 1 month, only to require them to reapply in the following month? Their circumstances are not changed by this payment. These funds will not lift anyone out of poverty, they do not replace an income lost to disability or age.

This bill will ensure that members of the Bois Forte and Grand Portage Bands receive fair—though small—compensation for their foregone treaty rights. It is a question of simple equity and I urge my colleagues to support it. •

By Mr. WELLSTONE:

S. 1839. A bill to provide that land which is owned by the Lower Sioux Indian Community in the State of Minnesota but which is not held in trust by the United States for the community may be leased or transferred by the Community without further approval by the United States; to the Committee on Indian Affairs.

APPROVAL NOT REQUIRED TO VALIDATE LAND TRANSACTIONS

• Mr. WELLSTONE. Mr. President, I am introducing legislation today which will allow the Lower Sioux Indian Community of Minnesota to sell non-trust land which falls outside their reservation borders. Enactment of this

bill would give the Lower Sioux the same rights as any other landowner: to conduct real estate transactions without an act of Congress.

The Lower Sioux Community has acquired several parcels of land outside its reservation borders. None of these lands are held in trust by the United States. The Community pays state and local property taxes on the land and is not exempted from local zoning ordinances. The Community is treated like any other non-Indian land owner with regard to these parcels under the law—except that federal law requires that Congress approve the sale of land owned in fee simple by Indian tribes. In other words, should the Community wish to engage in almost any kind of land transaction involving these parcels, Congress must pass legislation to allow it to happen.

The Community seeks to have this burden lifted from them. It argues that the Community's development projects are unfairly restricted by this requirement. Indeed, my colleagues know how long it can take for Congress to act on even the most parochial and non-controversial of legislation. Last year, we were successful in passing legislation authorizing the sale of a single parcel of land owned by the Lower Sioux. It passed as part of a technical amendments bill, but the entire process took over six months. All of this for a plot of land no bigger than thirteen acres.

Obviously, such hurdles can make dealing with the Lower Sioux Community complicated and time consuming. Congress could even choose not to act upon a request. This puts the band at a competitive disadvantage relative to other land owners. The Lower Sioux is not a wealthy community. It can ill afford the hassles of pursuing closure in Washington to deals in Minnesota.

This legislation is introduced at the request of the Lower Sioux Community. The legislation does not cover any other tribe besides the Lower Sioux Community, and again, it applies only to land not held in trust by the United States or that is not within the borders of the Community's reservation. This is a narrowly focused bill designed to meet the unique needs and circumstances of the Lower Sioux Community.

Mr. President, this legislation will lower barriers to the Lower Sioux's pursuit of economic opportunities to improve the lives of its members. With that in mind, I believe it is both appropriate and necessary and I urge its adoption.

I ask that a copy of a tribal council resolution in support of the bill be printed in the RECORD.

The material follows:

LOWER SIOUX COMMUNITY COUNCIL
RESOLUTION NO. 08-99

Whereas, The Lower Sioux Community Council is the governing body of the Lower Sioux Indian Community in Minnesota, a federally recognized Indian tribe; and

Whereas, The Lower Sioux Community has in the past purchased land in its own name in fee simple for various Community purposes, including the promotion of economic development that would enable the Community and its members to become self-sufficient; and

Whereas, The Community must make additional such purchases in the future for economic development, housing, and other purposes; and

Whereas, There is no certainty that the Community will be able to transfer any of its fee land to the United States to hold in trust for the Community; and

Whereas, Under current federal law, when the Community purchases land in fee it must pay taxes on such land but it is not allowed to transfer, lease, mortgage, or otherwise convey interests in such land without a congressional statute allowing it to do so; and

Whereas, The restrictions on the transfer, lease, and mortgage of Community fee land unfairly burden the Community's development projects, and place the Community in a worse position than any other surrounding landowner.

Now Therefore be it *Resolved* that: The Lower Sioux Community Council urges the Minnesota congressional delegation specifically, and Congress generally, to support legislation that will remove the restrictions on the Community's ability to transfer, lease, mortgage, or otherwise convey interests in land owned by it in fee. The removal of these restrictions will allow the Community to use its fee land in the same manner as any other landowner in order to develop its economy and provide services to its members.●

ADDITIONAL COSPONSORS

S. 345

At the request of Mr. ALLARD, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 670

At the request of Mr. JEFFORDS, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 670, a bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes.

S. 678

At the request of Mrs. FEINSTEIN, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 678, a bill to establish certain safeguards for the protection of purchasers in the sale of motor vehi-

cles that are salvage or have been damaged, to require certain safeguards concerning the handling of salvage and nonrebuildable vehicles, to support the flow of important vehicle information to the National Motor Vehicle Title Information System, and for other purposes.

S. 866

At the request of Mr. CONRAD, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 866, a bill to direct the Secretary of Health and Human Services to revise existing regulations concerning the conditions of participation for hospitals and ambulatory surgical centers under the medicare program relating to certified registered nurse anesthetists' services to make the regulations consistent with State supervision requirements.

S. 1158

At the request of Mr. HUTCHINSON, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1158, a bill to allow the recovery of attorney's fees and costs by certain employers and labor organizations who are prevailing parties in proceedings brought against them by the National Labor Relations Board or by the Occupational Safety and Health Administration.

S. 1187

At the request of Mr. DORGAN, the names of the Senator from Georgia (Mr. COVERDELL) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1327

At the request of Mr. DODD, his name was added as a cosponsor of S. 1327, a bill to amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, and for other purposes.

S. 1384

At the request of Mr. ABRAHAM, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1419

At the request of Mr. MCCAIN, the names of the Senator from Maine (Ms. SNOWE), the Senator from Delaware (Mr. ROTH), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Kansas (Mr. ROBERTS), and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. 1419, a bill to amend